



November 22, 2013

FILED ELECTRONICALLY

Ms. Marlene H. Dortch
Secretary
Federal Communications Commission
445 12th Street, S.W.
Washington, D.C. 20554

Re: Notice of Oral *Ex Parte* Presentation – Assessment and Collection of Regulatory Fees for Fiscal Year 2013; Procedures for Assessment and Collection of Regulatory Fees; Assessment and Collection of Regulatory Fees for Fiscal Year 2008; MD Docket Nos. 13-140, 12-201 & 08-65

Dear Ms. Dortch:

On November 20, 2013, representatives of the Satellite Industry Association (“SIA”) and several of its member companies met with Mika Savir of the Enforcement Bureau, Thomas Sullivan of the International Bureau, and Roland Helvajian and Thomas Buckley of the Office of Managing Director to discuss the above-referenced proceedings. Attending the meeting for SIA were Patricia Cooper, SIA’s President, and the following representatives of SIA members: Daniel Mah of SES; Karis Hastings, outside counsel for SES; Susan Crandall of Intelsat; Jennifer Hindin, outside counsel for Intelsat; Stacy Fuller of DIRECTV; Jennifer Manner of EchoStar; and Chris Murphy of Inmarsat.

The discussion focused on SIA’s suggestions for issues to be addressed in the forthcoming further notice of proposed rulemaking regarding regulatory fees. SIA reiterated the arguments made in its pleadings in this proceeding regarding the need to perform a function-based analysis of full-time equivalents (“FTEs”) throughout the Commission to ensure that direct and indirect costs are fairly allocated. In particular, SIA argued that:

- The Commission should assess whether there are FTEs located outside the “core” licensing bureaus whose work benefits a small subset of fee payers, and assign such FTEs as direct costs. Examples include FTEs who handle slamming complaints, pole attachment disputes, and obscenity or indecency allegations.
- For the remaining indirect FTEs whose work benefits a broader scope of licensees, the Commission should use objective workload metrics wherever possible to assign costs among licensees of the core bureaus.

- To the extent the Commission relies on direct cost proportions to allocate the costs of some indirect FTEs, it must ensure that all fee categories pay their fair share. Because it appears from the data presented to the Commission that WTB regulatees are not currently shouldering the full indirect costs associated with auction-related WTB regulation, SIA requested that all WTB FTEs be counted for purposes of developing the proportions used to assign indirect costs.

SIA also repeated its opposition to any shift from licensed-based to revenue-based assessment of regulatory fees for the satellite industry. SIA contended that such a change would directly conflict with the statutory directive to set fees based on costs. Furthermore, it would introduce much more complexity into calculation of regulatory fees for satellite operators, given the need to exclude revenue derived outside the U.S.

SIA stated that it would be helpful to have additional data regarding the basis for regulatory fee calculations. SIA also observed that streamlining efforts under way should reduce the burdens on staff that handle satellite matters in future, and the Commission should engage in periodic review of FTE numbers going forward to reflect such changes.

Please contact the undersigned if you have any questions.

Respectfully submitted,

SATELLITE INDUSTRY ASSOCIATION



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